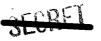
IPC Just

Sanitized - Approved For Release: CIA-RDP61S00527A000100060035-3



Chief. (A/I/R

14 June 57

THE COLUMN D/S

Chief. S/CH

25X1A8a

Transacte on Brigaria

HIN

:3t/I office Hotice No.110, 9 April 1057

25X1A8a

Delow is the %/CST contribution to the

Terrols on Ballyaria:

Objective II 4

The strengths and wednesses of the Errict (including Sciellite) comeny, with particular reference to its shility to support a major ver; the activation, character, and asguitude of current economic devolutions progress, their legismentation and their effect upon the commic, poliical, and military strength of the Soviet Bloc; the consbilities and valuerabilities of the Soviet and Octoblite internal communications crateror.

Berthamki

The volume of capital investment affords the best evalidate measure of the volume of construction in halgeria. Construction output is not reported either in absolute being or as a percentage of the proceeding year. and assemble out to volume of capital investment do not indicate the proportion of total investment accounted for by construction and installetter week.

Sursephont the position period there has been a tendency in Bilgaria to plan for investment construction beyond the expedilities of the construction industry, and investment plans have been consistently underfulfilled. Revertheless, construction activity increment at least three-Told between 1967 and 1985, despite such major shortcasings in the construction industry as faulty pluming, poor organization of construction work, and a shortage of engineers, technicions, and skilled workers. Despite the indirescent of relatively high vacua for skilled construction workers, the construction industry has falled to extract a sufficient maker of trainees to neet the growing meds for skilled cadres. A shortage of engineers, technicions, and skilled workers has been a cajor deschools to the construction industry, often resulting in delay, or even compalisation, of pleaned projects. Take shortage has been offset to some extent, innever, by rising labor productivity resulting from inproved technology in construction. Greeter construction and industrialiation of countraction wask is the beyotone of plans for increased



Sanitized Approved For Release : CIA-RDP61300527A000100060035-3

SEDICIS: Dergets on Bulgaria

construction output in future years. An intensive program for development of industrialized methods of construction using prefebricated elements is now under way, but the use of such methods has not yet reached algoriticant proportions.

A basic deficiency in investment planning in the Satellites has been the tendency to underestimate the quantity of materials and labor inputs required for the construction of investment projects. It is also possible that investment plans are based on materials prices which do not reflect actual per unit costs of production. If this is the case, the reporting of construction plan fulfillment in value terms at plan prices understates the actual cost to society of investment projects and conceals failure to accomplish the planned physical volume of construction with allocated investment funds.

A. General

Paule Guidence

Economic plans, progress, plan fulfillment reports, significant failures and advievements; construction planning apparetus; effects of recent seves to decentralise control over planning and execution of construction activity.

Distribution of construction output esong major economic sectors; the extent of military and defense construction and the impact on the over-all construction program; shorteges of building materials, particularly construction program; shorteges of building materials, and cultural construction so that scarce construction resources can be diverted to industrial construction; developments in the production of profedericated sections and large vall panels for bouning and other construction, with particular reference to production of lightweight panels and completely prefabricated houses; progress in applying techniques of industrialised construction.

Methods of arriving et estimate prices for construction esterials and mempover used in investment planning; actual costs of production of various building materials; prices at which materials are sold to construction enterprises and the basis for their determination; relationship of market prices to production costs and estimates, or plan prices; price basis used by the construction industry in reporting plan fulfillment, i.e., is plan fulfillment reported in terms of plan prices or does it reflect actual prices paid for inputs, where actual prices differ from plan prices.

SEUREI

Sanitized - Approved For Release CIA RDP61S00527A000100060035-3

Ro.

Terrets

Location

- 1. Classified version of the Three Year Plan for 1958-60, yearly economic plans, budgets, and plan fulfillment reports.
- Most likely to exist in offices of the ministries and the planning commission.
- 2. Classified directives of the Ministry of Construction concerning methods of reporting of construction output and plan fulfillment.

Ministry of Construction, other investing ministries and offices of construction enterprises.

3. Classified directives of the Ministry of Construction establishing prices of building materials and wage rates for specific types of labor.

Ministry of Construction, construction enterprises, building materials production enterprises.

4. <u>Classified production</u> and financial records of enterprises producing building materials and their reports to the Ministry of Construction.

Ministry of Construction individual building materials enterprises.

5. Classified records of construction enter- Ministry of Construction, in - prises, with particular reference to dividual construction enterprises. total wages and materials costs, and periodic reports submitted to the Ministry of Construction.

25X1A9a

